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TRADE AND DEVELOPMENT BOARD
Standing Committee on Developing
Services Sectors: Fostering
Competitive Services Sectors in
Developing Countries: INSURANCE
Third session
Geneva, 13 November 1995
Item 2 of the provisional agenda

[INSURANCE]

ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

Provisional agenda and annotations to the provisional agenda

I. PROVISIONAL AGENDA

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of critical areas with regard to insurance legislation, regulation and supervision
4. Problems faced by developing countries and countries in transition in the area of insurance against catastrophe perils
5. Review of progress made on the work programme, in the context of paragraph 76 of the Cartagena Commitment.
6. Other business
7. Adoption of the report of the Standing Committee, Insurance, to the Trade and Development Board.

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II. ANNOTATIONS TO THE PROVISIONAL AGENDA

Item 1: Election of officers

In accordance with rule 18 of the rules of procedure of the main Committees of the Trade and Development Board, the Standing Committee shall elect a Chairman, five Vice-Chairmen and a Rapporteur from among the representatives of its members, taking into account the need to ensure an equitable geographical distribution. Moreover, rule 19 of the same rules of procedure states that the Bureau of the Committee shall consist of seven members, including four members from Groups A and C combined, two members from Group B and one member from Group D, referred to in the annex to General Assembly resolution 1995 (XIX) as amended.

Item 2: Adoption of the agenda and organization of work

The Standing Committee may wish to adopt the provisional agenda, as set out in section I above. Section III and the annexes to this note contain suggestions for the organization of the work of the Committee and a list of background documents.

Item 3: Review of critical areas with regard to insurance legislation, regulation and supervision

Reforms towards introducing competitive insurance markets in developing countries and countries in transition may bring more entrepreneurial freedom, better resource allocation, increased productive efficiency and, ultimately, better insurance services at lower prices. In this context, the UNCTAD secretariat has prepared a report entitled "Establishment of effective regulatory and supervisory systems" (TD/B/CN.4/52). It draws attention to the importance of effective prudential supervision of the insurance sector and the benefits this may yield in terms of market development and consumer protection.

An Expert Group meeting was held and the two background reports entitled "Report of the Expert Group on insurance supervision and regulation" (UNCTAD/SDD/INS/12) and "Regulation and supervision of insurance operations: analysis of responses to a questionnaire and possible elements for establishing an effective supervisory authority" (UNCTAD/SDD/INS/10) are also relevant to this item.

Item 4: Problems faced by developing countries and countries in transition in the area of insurance against catastrophe perils

In establishing a financially sound catastrophe insurance scheme, it is essential to obtain the necessary information relating to both the frequency and severity of perils to be insured against and the quantified values of the risks, i.e. the risk exposure. The UNCTAD secretariat has prepared a report entitled "A summary of the major components and structures for catastrophe Insurance

schemes" (TD/B/CN.4/54) which examines how perils and risks exposures are determined. It explores the role governments can play in facilitating catastrophe insurance and discusses the provision of additional financial capacity through reinsurance.

Two background documents entitled "A ten country analysis of catastrophe exposure, insurance sector and country financial capacity to bear risk" (UNCTAD/SDD/INS/8) and "Comparative examples of existing catastrophe insurance schemes" (UNCTAD/SDD/INS/11) were also prepared in relation to this item and are complementary to the sessional document.

Item 5: Review of progress made on the work programme, in the context of paragraph 76 of the Cartagena Commitment

The UNCTAD secretariat has prepared a progress report in the form of a sessional document entitled "Review of activities of the secretariat pertaining to the work programme" (TD/B/CN.4/53). This report informs the Standing Committee on issues in the work programme on which work has been carried out by the secretariat between the second and third sessions of the Standing Committee. It addresses the main areas of the work programme: promoting transparency, fostering competitive insurance services and strengthening technical cooperation and human resources development.

The report provides a brief review of the documents presented and in some cases proposes possible follow-up. It should assist the Standing Committee in assessing the work accomplished so far and in preparing a report to the Trade and Development Board at its special session, from 11 to 15 December 1995. More details on reported activities and studies can be found in the respective sessional and background documents, a list of which is provided in annex II below.

Item 6: Other business

Item 7: Adoption of the report of the Standing Committee, Insurance, to the Trade and Development Board

The report of the Standing Committee, Insurance, will be submitted to the Trade and Development Board at its special session, from 11 to 15 December 1995, in preparation for UNCTAD IX.

III. SUGGESTIONS FOR THE ORGANIZATION OF WORK

Pursuant to a decision taken by the Trade and Development Board at the first part of its fortieth session, the Standing Committee's third session on Insurance is scheduled for five working days, from 13 to 17 November 1995. The session will commence on Monday, 13 November at 11 o'clock. Normal meeting hours

are from 10 a.m. to 1 p.m. and from 3 p.m. to 6 p.m. Limited facilities for group meetings will be available on request.

Regarding the organization of work, it is suggested that the Committee, after a debate with general statements, may wish to convert the plenary meeting into an informal sessional meeting with the same Bureau as the Standing Committee.

A tentative schedule of meetings, drawn up on the assumption that the plenary meeting may be converted into an informal sessional meeting, is shown in annex I.

Annex I

TENTATIVE SCHEDULE OF MEETINGS

Monday, 13 November 11 a.m. (Plenary)	Item 1:	Election of officers
	Item 2:	Adoption of the agenda and organization of work
	General debate	
Monday, 13 November 3 p.m. (Informals)	Item 3:	Review of critical areas with regard to insurance legislation, regulation and supervision
Tuesday, 14 November 10 a.m. (Plenary followed by informals)	General debate (concluded)	
	Item 3:	(continued)
Tuesday, 14 November 3 p.m. (Informals)	Item 3:	(concluded)
Wednesday, 15 November 10 a.m. (Informals)	Item 4:	Problems faced by developing countries and countries in transition in the area of insurance against catastrophe perils
Wednesday, 15 November 3 p.m. (Informals)	Item 4:	(concluded)
Thursday, 16 November 10 a.m. (Informals)	Item 5:	Review of progress made on the work programme in the context of paragraph 76 of the Cartagena Commitment
Thursday, 16 November p.m.		No meeting, to allow time for the preparation of the draft report
Friday, 17 November a.m.		idem
Friday, 17 November 3 p.m. (Plenary)	Item 6:	Other business
	Item 7:	Adoption of the report of the Standing Committee, Insurance, to the Trade and Development Board.

Annex II

CHECKLIST OF DOCUMENTS

For ease of reference, sessional and background documents are listed below under their respective items.

Sessional documents

Item 3: "Establishment of effective regulatory and supervisory systems" (TD/B/CN.4/52)

Item 4: "A summary of the major components and structures for catastrophe Insurance schemes" (TD/B/CN.4/54)

Item 5: "Review of activities of the secretariat pertaining to the work programme" (TD/B/CN.4/53)

Background documents

Promoting transparency: "The Insurance Forum" (newsletter)

Fostering competitive insurance services: "Credit guarantee funds for SMEs in developing countries" (UNCTAD/SDD/INS/7)

"A ten country analysis of catastrophe exposure, insurance sector and country financial capacity to bear risk"(UNCTAD/SDD/INS/8)

"Financial implications of agricultural insurance" (UNCTAD/SDD/INS/9)

"Regulation and supervision of insurance operations: analysis of responses to a questionnaire" (UNCTAD/SDD/INS/10)

"Comparative examples of existing catastrophe insurance schemes" (UNCTAD/SDD/INS/11)

"Report of the Expert Group on prudential regulation and supervision of insurance markets in developing countries and countries in transition to a market economy" (UNCTAD/SDD/INS/12)